month of August, 1991. The recommendations of this Committee are being implemented in a phased manner.

lleport on banking system

964. SHRI RAJNI RANJAN SAHU: Will the Minister of FINANCE be pleased to state;

(a) whether a recent study report on banking syston sponsored by Reserve Bunk by Shri Deena Khatkhatc on banking system has pointed out different vreaknesses in the control and supervision by RBI over the Banks in the context of the economic reforms;

(b | if so. what are the precise weaknesses and drawbacks brought home by the Khatkhate Committee; and other observations and suggestions made by it, and

(c) -whether the report was submitted in December 1993 if so, what action has since been taken thereon and the' reasons for the dlay in impl-mentatton thereof

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY. (a) to (c) The Reserve Bank of India ('RBI) have reported that, they have not spomsored any such study. However Fin-timee Ministery had invited Shri D. Kha-tkhate to submit a report which is currently under examination.

Customer Service in Insurance Sectn'

965. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE he pleased to state:

(a) whether it is a fact that there has beer, no improvement in customer service in insurance Rector: and

(b) if so, what steps Government are taking to enhance customer service bv insurance companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEHAR MURTHY): (a) and (b) No, Sir. The number of maturity claims which were settled by LIC on or before due date and the number of death claims settled within 75 day of the death. of the policyholder increased .from 19.64 lakhs and 1.60 lakhs during 1990-91 to 27.37 lakhs and 2.63 lakhs ciwetively during 1992-93. The total number of customer complaints during this period came down from 15,110 to 14,235. With a view to redressing the grievances of the policyholders. Claims Review Committees have been set up by the LIC ft Zonal Office and Central Office leved. to review the the Hiated claim from used to time.

In the case of G1C, on ,a global basis, the claim disposal ratio and documents disposal ratio which were 3.2 per cent and 76 per cent in 1982-83 have gome up to 73.9 per cent and 91.3 per cent respectively by 1993-94. The GIC and its four subsidiaries have taken up a programme of Frontline Computerisation, and issuance of computer based policies in respect of Mo!.or and Health Insurance has already commenced in certain offices ' of the fubsi-diarie- of the GIC.

The Boards of the LIC, GIC and its four subsidiary companies constantly review the disposal of public grievances and settlement of claims to ensure effecient customer service.

Harassment by Income Tax: Department

966. SHRI V. HANUMANTHA RAO: Will the Minister of FINANCE be pleased to state:

'a) whether Government have made an effort to reduce harassment of middle class people by Income Tax Department:

(b) whether any specfiic programme has been chalked out for the year 1994-95 in this {regard; and

(c) whether any public advisory committee would be formed to assist in this matter? .